GRAND UNION

1984 ANNUAL REPORT

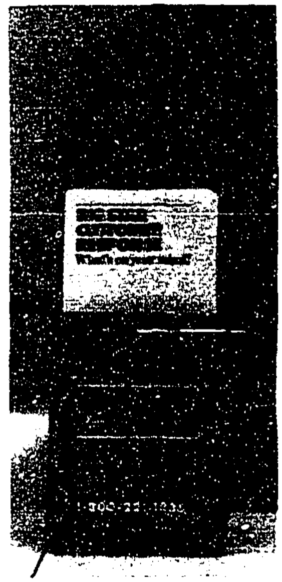
CONTENTS

THE GRAND UNION COMPANY

FINANCIAL HIGHLIGHTS

	52 WEEKS ENDED MARCH 30, 1985	52 WEEKS ENDED MARCH 31, 1984
Sales	$ 2,529.392,000	$ 3,438,848,000
Income (loss) before income taxes	$ 7,608,000	$ (130,240,000)
Net income (loss)	$ 5,328,000	$ (115,240,000)
Working capital	$ 82,678,000	$ 51,713,000
Ratio of current assets to current liabilities	1.39 to 1	1.23 to 1

"For us to excel, we must recognize and honor the customer. It's clear that is our number one priority."



Our customer response brochure and toll-free phone number enable our customers to ask questions or to comment on our stores, employees, products and prices.

CHAIRMAN'S LETTER

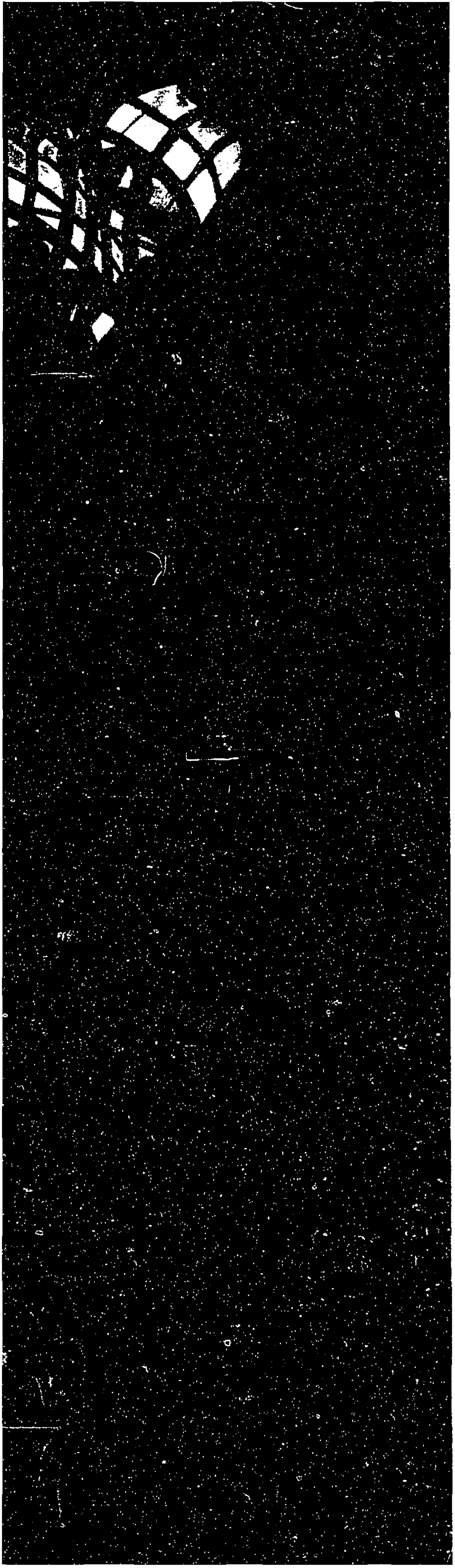
If there can be a Year One for a 113-year-old company, it would be 1984–85. Some things were ended, but much was begun. Geographical consolidation, centralization of functions, and competitive price repositioning were substantially completed.

A comprehensive review of organizational structures and positions, strategic plans and objectives, financial standards and capital allocation procedures was initiated, and is virtually complete. Priorities and values were tested for soundness and adjustments made where appropriate.

The company earned a net income of $5,328,000, compared to a loss of $115,240,000 in the prior year. While this is an impressive reversal, net income improvement remains our major objective. Sales for the fiscal year ended March 30, 1985, were $2,529,392,000 versus $3,438,848,000 for the previous year.

The decreased sales reflect the disposal of inefficient Regions and stores. Existing store for store sales rose 14%. The return to profitability reflects the avoidance of past expenditures needed for price repositioning and regional consolidation as well as the gains achieved through significant gross margin and productivity improvements. We expect profits to grow as the full return on Food Market investments mature and as we realize the positive aspects of major merchandising and operations improvements.

We are now properly positioned and financially capable of aggressively investing in new stores, expansions,



and upgrades of existing facilities.

Much of what we have done this year is detailed elsewhere in this report, but a word should be said here on our general direction. We have and will continue to examine each aspect of our business with hard questions, looking only for hard facts and sound reasoning for answers. We are seeking better ways to reward our good people, not only monetarily, but through job enrichment.

Full participation by all of our personnel in the planning and development process has generated commitment to our present and our future, and will lead us to our goal of excellence. We are unswervingly dedicated to strengthening our appeal to the customer through better product quality, assortments, value, and services. Our efforts already show verifiable progress, witnessed by our existing store sales growth.

In short, we are on our way and that way is up.

To each one of our 22,000 employees, I want to extend my sincere personal appreciation for your tireless efforts.

This institution we call Grand Union is indeed grand, and as we continue our quest for excellence, we, with your continued help, will attain our rightful position among the industry leaders.

Floyd Hall
Chairman of the Board and
Chief Executive Officer
July 26, 1985

Lady Liberty buttons are worn by store employees to let customers know that their help is needed to restore the Statue of Liberty. The torch (left) is used in advertising to symbolize Grand Union's participation in the restoration fund drive

"Our challenge is to anticipate change and to manage it."

COMPANY STANDARDS

SETTING THE TONE

Grand Union has committed to excellence, to being the best, to the proposition that all employees are instrumental not only in attaining, but in determining, the standards that lead to the forefront of our industry.

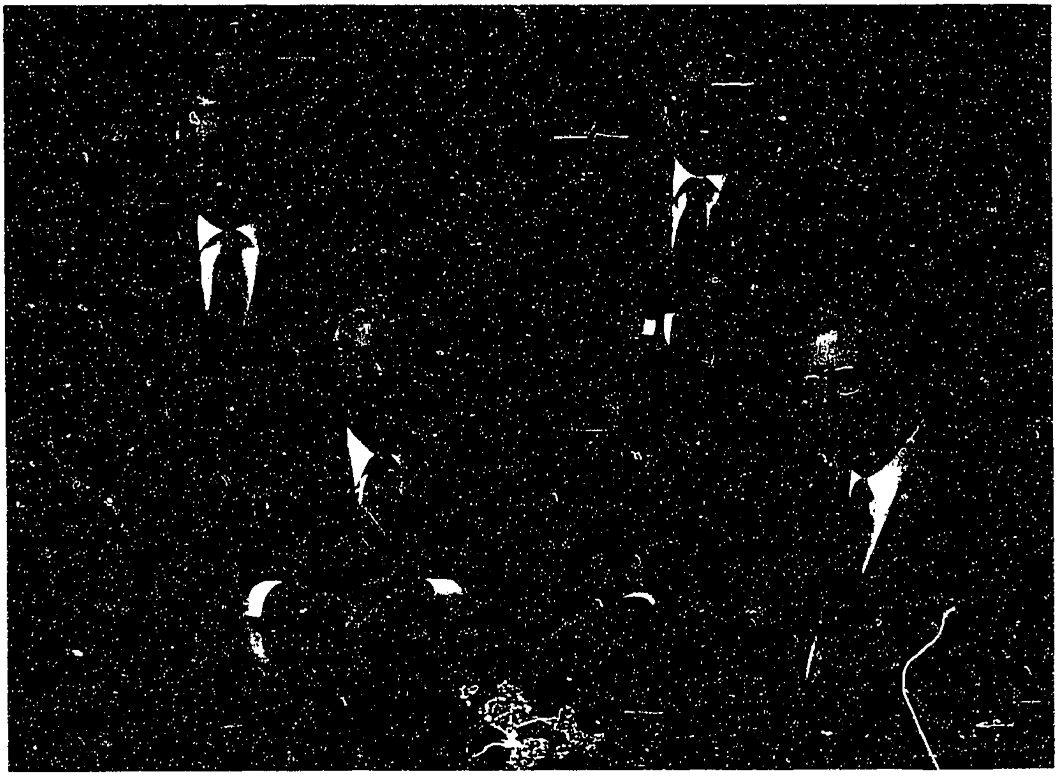
Our objective requires a blending of resources to produce the best possible culture, one that exudes vitality. Commitment to excellence allows all to participate, but requires leadership, clear objectives, and priorities. This is what we want to stand for.

REORGANIZATION

Corporate management was restructured, pyramid-style, to higher degrees of specialization where needed. At every level we determined our strengths and weaknesses, addressed the questions–what do we want to be, why, and when? What's in it for the customer; what's in it for the company?

We summed up our resources, human and financial, and allocated them to our primary strategic objectives. Useful strategies were reaffirmed–such as competitive price positioning with the Price Finder, and

The Regular Price Finder and Price Finder for Specials are displayed in all stores to credibly prove our competitive price policy.



(Left) From left to right, Henry T. Johnson, Executive Vice President and Chief Administrative Officer, Floyd Hall, Chairman and Chief Executive Officer, William A. Louttit, Executive Vice President, Merchandising; and Joseph J. McCaig, President and Chief Operating Officer.

(Far left) Service remains an integral part of our expanded produce department, with pineapples peeled and cored on the spot.

"We are truly poised, both strategically and geographically, for an industry leading performance."

Attractive displays of hanging meats and sausages add to the appetite appeal of our Market Square, "The Best Take-Out Restaurant in Town."

the maintaining of four specific store types, i.e., Supermarkets, Community Stores, Food Markets, Food Centers, to fit market needs.

We made important personnel additions, assignments, and clarified responsibilities and authority. Departmental standards were set, objectives defined, improvements planned; hand in hand, productivity expectations were established.

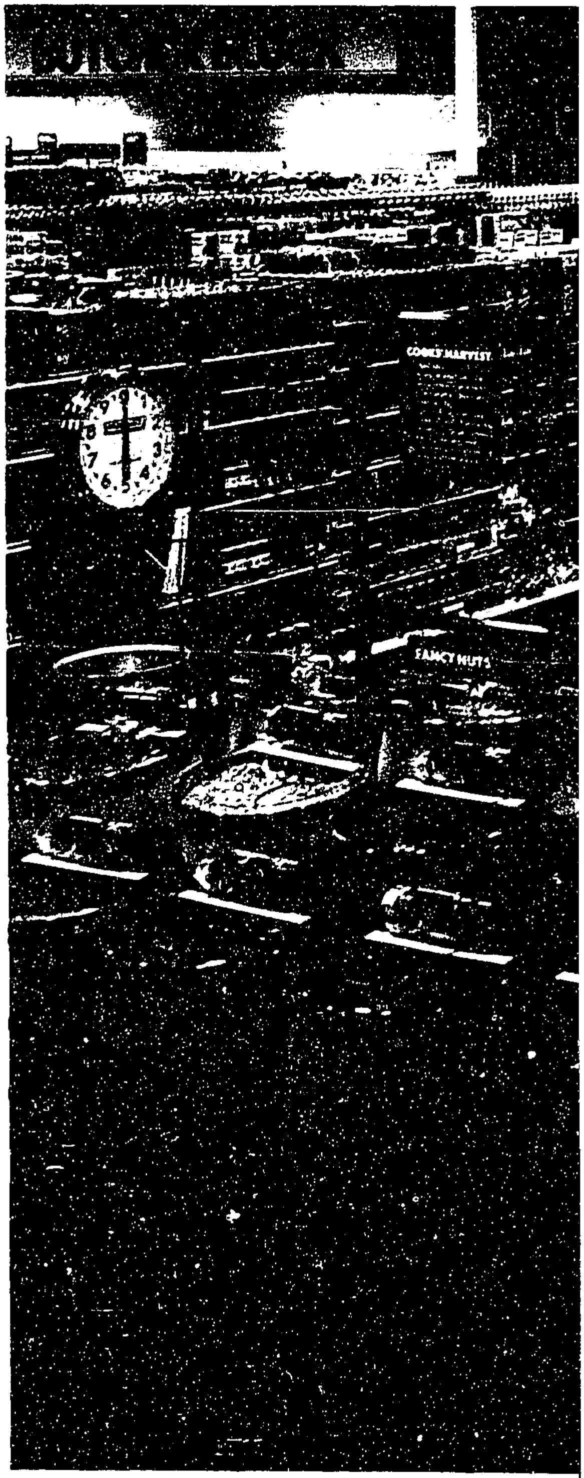
CONSOLIDATION FOR PROFITS

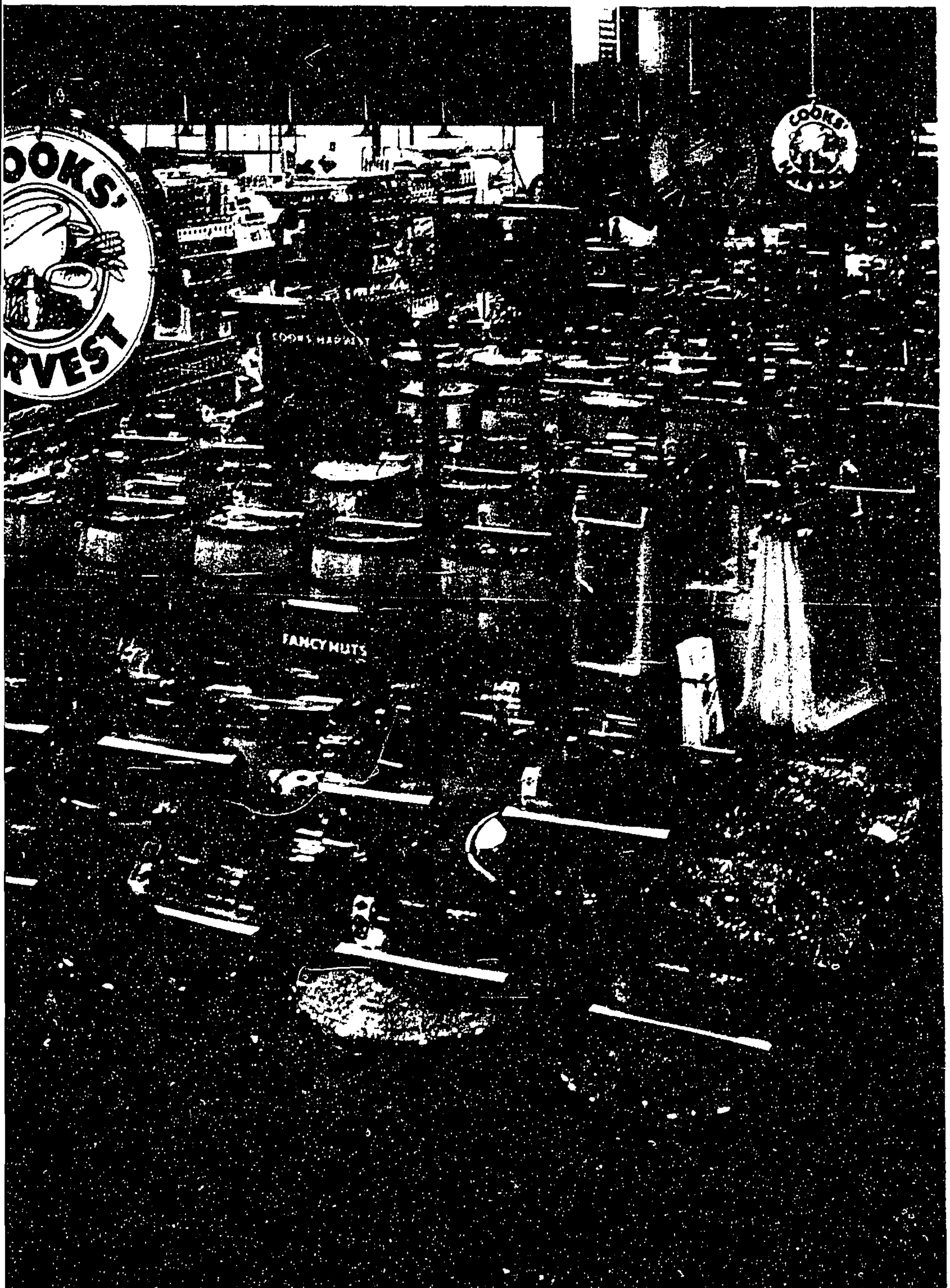
We consolidated store operations; we now have geographically efficient Designated Marketing Areas with advertising, distribution, and overhead benefits not yet fully realized. Certain functions previously spread through our Regions, accounting and advertising for example, were centralized for efficiency and uniformity.

MANAGING TO EXCELLENCE

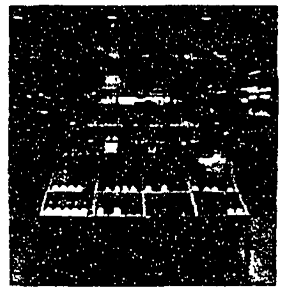
The sum of this extensive, intensive program was an historic gathering of all those on the firing line, the Managers' Conference; its theme, *Managing to Excellence.* Its result, understanding, and a firm commitment to our company's objectives and values.

Managers from all stores, all Regions, received a comprehensive view of company operations, strategies, and broad objectives. Their experience and help was sought in the interchange. Corporate direction and expectations were communicated. Store management commitment to quality of service and product,





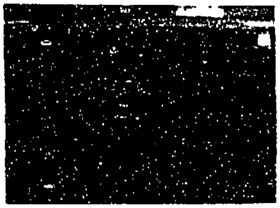
"True commitment is when you think of the company and the store as yours. It means setting high standards, living up to them, and requiring the people that work with you to do the same."

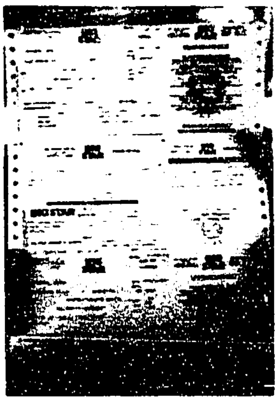


Certain quality wines at good prices are featured in our Wine Shop as "Best Value Wines of the Month."

The trend is to self-service for customers purchasing nuts, grains, and candies from our Cooks' Harvest

"We are going to do a lot of good things and some great things..."



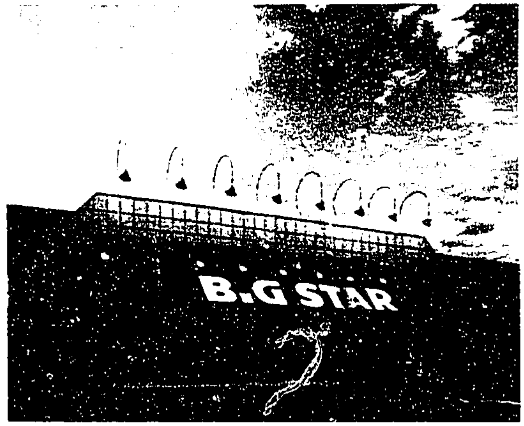


In our state-of-the-art pharmacies, the pharmacist (right) calls up a customer data file, types in prescription information, checks the video screen (above, top) and prints out a perforated form (above, bottom) with all necessary paperwork including the prescription label

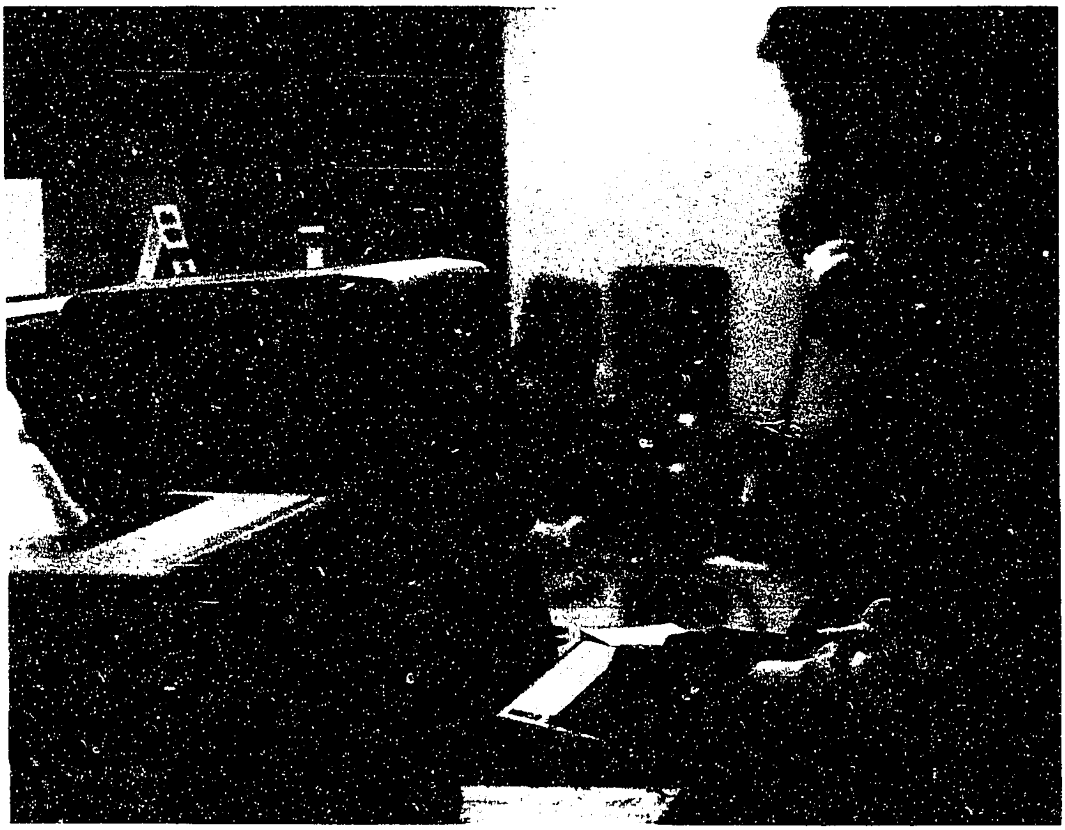
and to the customer was asked for, and received.

At that same meeting, the company's commitment to community involvement was reinforced by announcing our fund raising campaign to help restore the Statue of Liberty and Ellis Island. Grand Union joined other public spirited corporations, such as Chrysler and American Airlines, to help preserve our national symbol of freedom.

Grand Union is the exclusive supermarket Official Sponsor for the Statue of Liberty–Ellis Island Foundation, Inc. This drive for support will be a part of Grand Union and Big Star programs through the re-dedication ceremonies in 1986.



In character with Managing to Excellence planning, the first Food Center in the company opened in January, the 50,000 square foot Merchants Festival Big Star in Atlanta. Certainly one of the top five food



(Above right) The modern, inviting facade of the Merchants Festival Big Star Food Center in Atlanta

stores in the country, its unique design and advanced facilities were applauded on national television news. Much of our future is prototyped in this store.

MEASURING PROGRESS

REACHING OBJECTIVES

Personal and company objectives were stated, challenged, and restated. Using industry and consumer research data, areas of potential improvement were identified and communicated. The store manager is given the guidelines, tools, and the responsibility for bottom-up planning to establish individual store objectives compatible with anticipated company sales and profits. He is a fully equipped team member, and individually and collectively will contribute enormously to Grand Union growth.

DISCIPLINED PLAN EXECUTION

Tracking our progress on financial and personal objectives will help provide the disciplined execution so necessary as a foundation for improvement. This information is also the basis for rewarding those who demonstrate their commitment to excellence. This sense of accomplishment will ultimately transmit to our customer, a happy customer.

EXPECTATIONS

That is where we're going. We've marked our map on how to get there, and set our checkpoints. After repositioning and retrenching, we started moving forward in 1984–85.

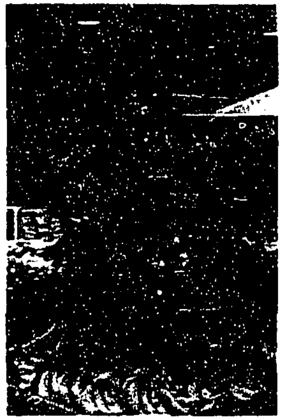
ONE STEP FORWARD

A COMMITMENT TO EXCELLENCE IN PRODUCE

At a midyear strategy meeting, produce was selected as a prime target for merchandising superiority. Why produce? There's no greater symbol of a well-run food store than the naturally fresh and colorful wholesomeness of produce. Customer concern for health and nutrition, now at a high, can be most satisfied by the quality and variety of fresh fruits and vegetables

Henry T. Johnson, Joseph J McCaig, William A Louttit, and Floyd Hall examine items in the section featuring Fruits and Vegetables From Around the World.

"Excellence isn't measured by good intentions. Its attainment requires a *daily* commitment to being the best..."



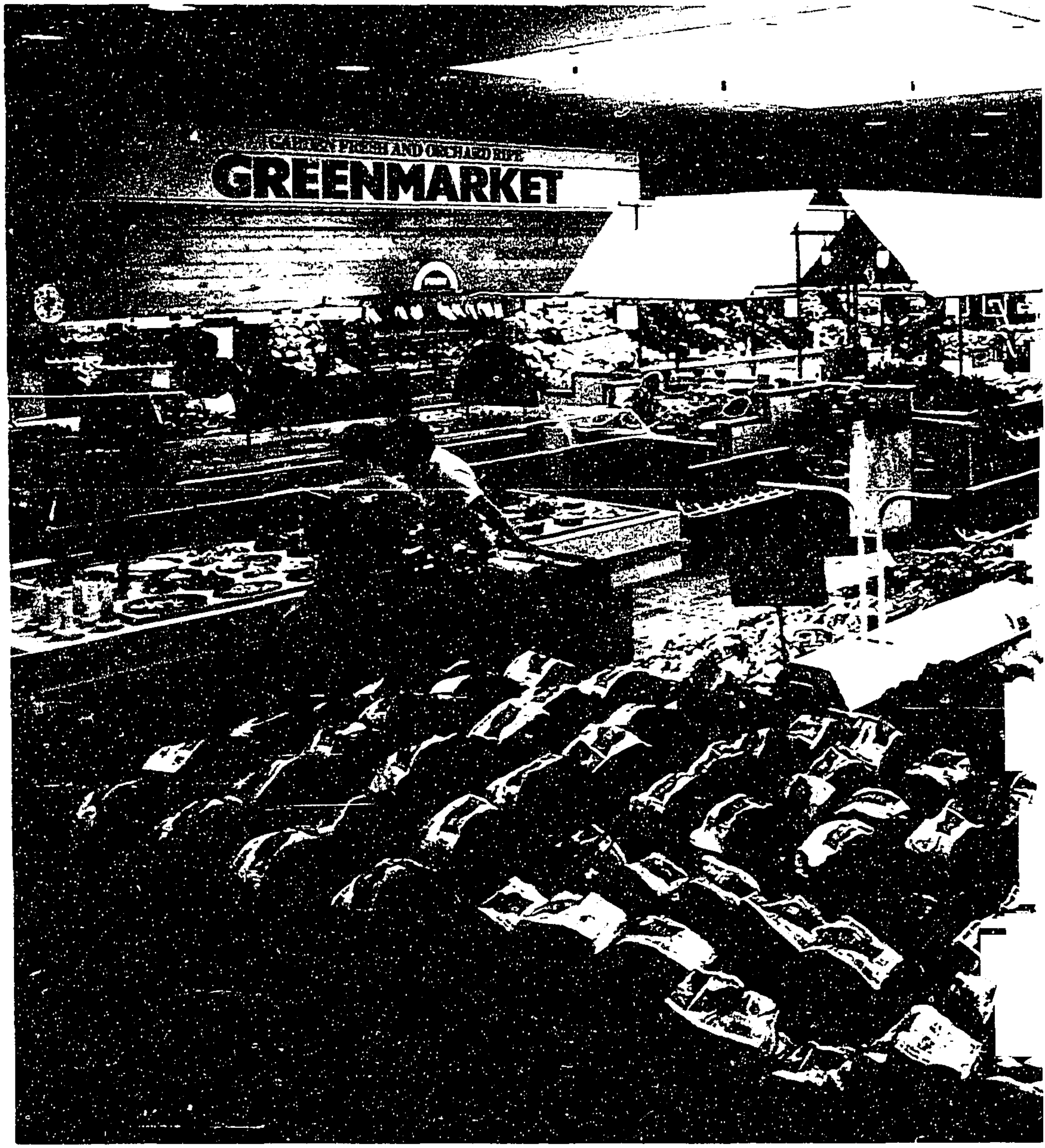
The new banana display includes point-of-sale signage with a Banana Ripeness Guide

"Produce objectives? Unequaled quality, assortment, value, and service. Company objectives? Unequaled quality, assortment, value, and service."

Informative "toppers" on pricing signs help the customer with descriptions of flavor, uses, and ripeness of produce

available. It follows that excellence in produce can provide a major part of our satisfied customer base.

We held a series of meetings to set priorities and the parameters of quality and variety for fruit and vegetables. Planning meetings encompassed equipment, signage, plan-o-grams, advertising, and training needs. Assortment and absolute quality, from our purchase to the customer's purchase, were the objectives. Priorities? Freshness, Taste, Appearance, Variety, Size, Value. Variable plans to



Greenmarket, the produce department in the Merchants Festival Food Center, incorporates all the elements of the new Produce Strategy. It also features new fixtures with lighted umbrellas and awnings and a central skylight overhead

mium quality there, from far places; 27 on the list, and growing. First-of-the-Season, for those who impatiently wait for their favorites. New Items, making the unfamiliar, familiar. Locally Grown, brought the shortest distance at a freshness peak. Ripeness, clearly explained or illustrated in signage. Variety in staples; perhaps 13 different oranges, from time to time 15 different melons, possibly 17 different salad greens, 14 cooking greens. Convenience plus in-store freshness with pineapples cored on the spot, orange juice squeezed and iced every day, salad bars made fresh daily.

Careful lists were drawn to make sure produce size would not fall under rigid specifications; to make sure that once selected in the field, the produce is properly handled, refrigerated, culled to meet Grand Union standards, inspected three times before customer purchase. To make sure if we don't have it, it's because it's not good enough to sell. Excellent produce is not just bought, it is maintained till the customer takes it from the store.

Months after that first strategy meeting, four test stores were in operation, internal and external reports reviewed, changes made, improvements noted.

Final test sales and profit results met or exceeded expectations. Customer response was positive. We expanded the plan, in phases, throughout the company. The new Produce Strategy is a successful example of our working teams and of the overall company planning structure.

These same successful techniques will revitalize every aspect of The Grand Union Company in time.

"Everything starts with a strategy, a bare bones strategy that has withstood hard questions; where are we going, why, how and when?"

New point-of-sale signage has been developed to highlight First of the Season, New Item, and Locally Grown produce.

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

	52 WEEKS ENDED		
	MARCH 30, 1985	MARCH 31, 1984	APRIL 2, 1983
		(Amounts in thousands)	
Sales	$2,529,392	$3,438,848	$3,519,341
Cost of sales	(1,960,313)	(2,725,180)	(2,740,970)
Gross profit	569,079	713,668	778,371
Operating, administrative and general expenses (notes 7 and 8)	(543,575)	(776,638)	(765,324)
Operating income (loss)	25,504	(62,970)	13,047
Costs related to store closure program (note 2)	(5,020)	(48,347)	(20,725)
Interest expense (note 5)	(18,958)	(24,768)	(24,784)
Interest, dividend and other income (note 2)	6,082	5,845	12,528
Income (loss) before income taxes	7,608	(130,240)	(19,934)
Income tax provision (benefit) (note 4)	2,280	(15,000)	(20,160)
Net income (loss)	5,328	(115,240)	226
Retained earnings (deficit), beginning of year	(9,123)	106,163	109,386
	(3,795)	(9,077)	109,612
Less cash dividends:			
Common	—	—	(3,400)
Preferred	—	(46)	(49)
Retained earnings (deficit), end of year	$ (3,795)	$ (9,123)	$ 106,163

See accompanying notes to the consolidated financial statements.

CONSOLIDATED BALANCE SHEET

	MARCH 30, 1985	MARCH 31, 1984
	(Amounts in thousands)	
ASSETS		
Current assets:		
Cash and temporary cash investments (note 5)	$ 31,442	$ 43,428
Receivables, net, including amounts due from related parties (note 6)	26,071	30,479
Inventories	195,023	179,897
Prepaid income taxes (note 4)	24,547	—
Prepaid expenses, operating supplies and other	7,990	8,758
Properties held for sale	7,435	17,024
Total current assets	292,508	279,586
Property, net (note 3)	274,661	273,612
Notes receivable and other assets	8,296	12,633
Cost in excess of net assets acquired	10,066	10,345
	$585,531	$576,176
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Short-term debt (note 5)	$ 5,473	$ 19,155
Accounts payable and accrued liabilities (note 6)	201,496	208,718
Income taxes payable	2,861	—
Total current liabilities	209,830	227,873
Long-term debt (note 5)	68,821	74,527
Long-term capital lease obligations (note 7)	101,053	97,135
Deferred pension obligations (note 8)	12,425	15,029
Deferred income taxes (note 4)	23,982	—
Other noncurrent liabilities	26,950	24,470
	443,061	439,034
Commitments and contingencies (notes 7 and 12)		
Stockholder's equity (notes 5, 10 and 11):		
Common stock, $50,000 par value; authorized 900 shares; issued and outstanding 801.5 shares	40,077	40,077
Additional paid-in capital	106,188	106,188
Retained earnings (deficit)	(3,795)	(9,123)
Total stockholder's equity	142,470	137,142
	$585,531	$576,176

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

	52 WEEKS ENDED		
	MARCH 30, 1985	MARCH 31, 1984	APRIL 2, 1983
	(Amounts in thousands)		
CASH PROVIDED BY (USED FOR):			
Net income (loss)	$ 5,328	$(115,240)	$ 226
Noncash charges (credits) to income:			
Depreciation and amortization	33,959	44,993	47,452
Deferred income taxes	(574)	—	(5,559)
Cash provided by (used for) operations	38,713	(70,247)	42,119
Cash provided by (used for) other operating items:			
Receivables	4,408	25,214	(13,205)
Inventories	(15,126)	69,220	33,283
Prepaid income taxes	(1,459)	—	—
Prepaid expenses, operating supplies and other	768	8,734	(1,567)
Accounts payable and accrued liabilities	(11,033)	(50,172)	(10,584)
Income taxes payable	2,861	—	(1,559)
Cash available for investment and dividends	19,132	(17,251)	48,487
INVESTMENT ACTIVITIES:			
Capital expenditures:			
Property owned	(32,974)	(69,860)	(102,135)
Property leased	(6,094)	(13,389)	(14,158)
Disposals of property	20,287	127,358	36,571
Other disposals	2,738	2,157	8,350
Net cash provided by (used for) investment activities	(16,043)	46,266	(71,372)
Dividends	—	(46)	(3,449)
Cash provided by (used for) operating and investment activities and dividends	3,089	28,969	(26,334)
FINANCING ACTIVITIES:			
Financing obtained:			
Short-term debt, net	—	—	14,592
Long-term capital lease obligations	6,877	13,000	14,169
Issuance of common stock	—	45,000	—
Other noncurrent liabilities	906	12,289	9,718
Financing discharged:			
Short-term debt, net	—	(24,000)	—
Long-term debt	(19,781)	(20,276)	(2,440)
Long-term capital lease obligations	(3,077)	(28,251)	(5,242)
Redemption of preferred stock	—	(1,018)	—
Net cash provided by (used for) financing activities	(15,075)	(3,256)	30,797
Increase (decrease) in cash	$(11,986)	$ 25,713	$ 4,463

See accompanying notes to the consolidated financial statements.

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

The Company is a wholly-owned subsidiary of Cavenham (USA) Inc. ("Cavenham (USA)") which in turn is a wholly-owned subsidiary of Cavenham Holdings Inc ("Holdings").

The significant accounting policies affecting the Company's financial statements are summarized below:

Fiscal Year. The Company's fiscal year ends on the Saturday nearest the last day of March. Fiscal 1984, fiscal 1983 and fiscal 1982 ended on March 30, 1985, March 31, 1984 and April 2, 1983, respectively, and included 52 weeks.

Principles of Consolidation. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. Intercompany transactions and balances have been eliminated

Inventory Valuation. Inventories are valued at the lower of first-in, first-out cost or market, cost being determined using the retail method for store inventories and the average cost method for warehouse and other inventories.

Property. Properties held under capital leases are capitalized net of any gains on sale and leaseback transactions and are amortized using the straight-line method over the life of the lease. Depreciation on owned property is computed principally using the straight-line method over the useful lives of the assets. Leasehold improvements are amortized over the shorter of the terms of the leases or their estimated useful lives Properties held for sale are recorded at the lower of their cost or estimated net realizable value.

Pre-Opening Costs. Store pre-opening costs are charged to expense as incurred.

Cost in Excess of Net Assets Acquired. During fiscal 1983 approximately $2,100,000 of the balance of cost in excess of net assets acquired was written off in connection with the disposition of certain regional operations (see Note 2). The remaining balance is being amortized on a straight-line basis over forty years.

Income Taxes. The operations of the Company are included in consolidated federal income tax returns filed by Holdings. Prior to fiscal 1984, the Company's federal income tax provision was computed on a separate company basis adjusted in accordance with the terms of a tax sharing agreement with Holdings. In fiscal 1984 the Company's income tax provision is computed as though it filed separate federal and state income tax returns.

Pension Plans. The Company maintains noncontributory, trusteed pension plans covering eligible employees and a supplemental nonqualified, nontrusteed plan for certain executives. The Company's policy is to fund pension costs accrued. Pension expense for these plans consists of normal costs plus amortization of past service costs over periods not to exceed forty years, less amortization of deferred pension obligations arising from acquisitions over a fourteen year period.

NOTE 2 STORE CLOSURE PROGRAM

In connection with a program of concentrating and developing its operations within certain geographic areas, the Company has undertaken a number of closure programs during the last four years.

During fiscal 1981 the Company entered into an agreement with Holdings under which Holdings is required to pay the Company an amount equal to any losses or other costs incurred in connection with the closure of 222 retail stores, substantially all of which have been closed by March 30, 1985. The agreement, which was to expire March 30, 1985 has been extended through June, 1985. In consideration for such payments, Holdings is entitled to any profits realized in connection with the sale, use or further development of these and certain other properties. Amounts reimbursable under the terms of the agreement include direct costs incurred in connection with the store closure program net of gains on the sale of property and lease rights, reduced by operating profits. Reimbursable amounts totaled $4,326,000, $2,799,000 and $10,146,000 for fiscal 1984, 1983 and 1982 respectively, and are included in Interest, dividend and other income in the accompanying Consolidated Statement of Income and Retained Earnings.

During fiscal 1982 a provision was established for the costs of the closure program relating to 76 stores not covered by the agreement with Holdings.

During fiscal 1983 the Company established provisions for the closure of an additional 49 stores and for the disposition of its Weingarten (Texas), Florida and Eastern (Washington) regions aggregating 160 stores.

The activity related to store closure programs for the last three fiscal years is summarized as follows.

	52 WEEKS ENDED		
	MARCH 30, 1985	MARCH 31, 1984	APRIL 2, 1983
	(in thousands)		
Provision established for:			
-1983 disposition of Weingarten, Florida and Eastern regions and additional store closures	$ —	$45,000	$ —
-1982 store closure program	—	—	9,977
Costs associated with the Holdings store closure agreement	5,020	3,347	10,748
	$5,020	$48.347	$20,725

NOTE 3 PROPERTY

Property, at cost, consists of the following:

	MARCH 30, 1985	MARCH 31, 1984
	(in thousands)	
Property owned:		
Land	$ 8,253	$ 5,858
Buildings	12,101	12,029
Fixtures and equipment	231,037	241,875
Leasehold improvements	84,344	80,963
	335,735	340,725
Less: accumulated depreciation and amortization	145,044	149,755
Property owned, net	190,691	190,970
Property leased:		
Land and buildings	103,386	99,646
Fixtures and equipment	4,603	6,068
	107,989	105,714
Less: accumulated amortization	24,019	23,072
Property leased, net	83,970	82,642
Property, net	$274,661	$273,612

NOTE 4 INCOME TAXES

During fiscal 1981, the Company entered into a three-year tax sharing agreement with Holdings, whereby the Company received tax sharing benefits from Holdings not to exceed 50% of the Company's tax provision. During fiscal 1983 and 1982, the Company recorded tax carryback benefits, in accordance with the tax sharing agreement, which are included in amounts due from Holdings as disclosed in Note 6. Under the terms of the agreement there are no additional tax carrybacks or carryforwards available to the Company relating to results of operations prior to fiscal 1984.

Upon mutual agreement, the Company and Holdings elected to terminate the tax sharing agreement as of April 1, 1984. At that time it was the intention of the Company and Holdings that the Company provide and pay Federal income taxes on the basis of an effective rate as agreed to by the companies. Accordingly, prepaid and deferred Federal income taxes were eliminated at March 31, 1984. During fiscal 1984 the Company and Holdings agreed that the Company would provide for its Federal income taxes as if it filed a separate company tax return. Accordingly, the prepaid and deferred tax balances previously eliminated were restored as of March 30, 1985.

The components of the provision (benefit) for income taxes, including the elimination in fiscal 1983 and restoration in fiscal 1984 of prepaid and deferred income tax balances, are as follows:

	52 WEEKS ENDED		
	MARCH 30, 1985	MARCH 31, 1984	APRIL 2, 1983
		(in thousands)	
Federal income taxes:			
Currently payable (receivable)	$2,125	$(15,000)	$(23,629)
Deferred, resulting from:			
Excess of tax over book depreciation	30,535	(26,846)	3,569
Unfunded pension liability	(7,477)	8,903	–
Accrued insurance	(9,929)	6,489	1,205
Deferred gains on sale/leaseback transactions	(3,166)	3,658	–
Compensated absence liability	(2,542)	2,542	–
Property taxes	(947)	2,053	–
Pension expense	(2,539)	1,922	583
Store closure provision	(4,206)	1,983	(1,983)
Unearned promotional allowances	(593)	214	86
Other	(61)	(918)	409
State income taxes	1,080	–	(400)
Total income tax provision (benefit)	$2,280	$(15,000)	$(20,160)

The reconciliation of the provision (benefit) for income taxes computed at the federal statutory rate to the reported provision (benefit) for income taxes is as follows:

	52 WEEKS ENDED		
	MARCH 30, 1985	MARCH 31, 1984	APRIL 2, 1983
		(in thousands)	
Provision (benefit) computed at federal statutory tax rate	$3,500	$(59,910)	$ (9,170)
Increase (decrease) in the provision resulting from:			
Amount in excess of available carryback	–	44,910	–
Investment tax credit	(1,012)	–	(4,550)
Adjustment of prior years' reserves	–	–	(6,500)
State and local taxes, net of federal tax benefits	583	–	(215)
Realization of foreign source losses	(1,614)	–	–
Amortization of goodwill and debt discount	310	–	108
Other	513	–	167
Total income tax provision (benefit)	$2,280	$(15,000)	$(20,160)

At March 30, 1985, the Company had unused tax credits totalling $1,100,000 for financial statement purposes.

During fiscal 1982, estimates of certain tax liabilities recorded in accounting for a purchase transaction in a prior year were revised resulting in a credit to the income tax provision.

NOTE 5 DEBT

Debt consists of the following:

	MARCH 30, 1985	MARCH 31, 1984
	(in thousands)	
8.95% Promissory Note	$45,000	$78,400
Credit agreement with a bank, floating interest rate (11½% at March 30, 1985), due 1986	15,000	–
9½% Debentures due 1991, less unamortized discount of $1,967,000 and $2,267,000	8,214	7,914
7¼% Subordinate Cumulative Income Debentures, less unamortized discount of $193,000 and $276,000	3,423	3,587
8% Debentures due 1996, less unamortized discount of $109,000 and $120,000	2,110	2,099
Mortgages, interest at 6½% to 9%	547	1,682
	74,294	93,682
Less: amounts due within one year	5,473	19,155
Long-term debt	$68,821	$74,527

The 8.95% Promissory Note agreement, as modified, requires annual repayments of $5,000,000 in 1985, $6,150,000 from 1986 to 1991 and $3,100,000 in 1992.

In May 1984, a credit agreement was entered into with a bank for an amount totalling $15,000,000, at a floating interest rate, repayable in May 1986.

During fiscal 1983, the Company acquired $10,200,000 principal amount of its 8% Sinking Fund Debentures due 1996 in exchange for an equivalent amount of 9½% Debentures due 1991 resulting in a gain of $1,952,000 from the exchange. In connection with the exchange, sinking fund requirements and certain restrictions on the incurrence of long-term debt were eliminated.

The 7¼% Subordinate Cumulative Income Debentures require quarterly purchase fund payments of the lesser of $100,000, or the amount of debentures tendered quarterly by debenture holders, in fiscal 1985 through 1986. The balance is payable in June 1987.

In connection with certain limitations under the loan agreements the Company was unable to declare dividends at March 30, 1985.

Maturities of long-term debt over the next five years are $5,473,000, $21,634,000, $9,278,000, $6,187,000 and $6,190,000, respectively.

The Company has lines of credit with a number of banks totalling $65,000,000 of which $47,000,000 is extended on a committed basis. The Company is restricted under certain loan agreements from borrowing more than $30,000,000 under these lines of credit. The Company has informal arrangements with banks providing that compensation for committed lines of credit will be in the form of fees ranging from ¼ of 1% to ⅜ of 1% of the committed line, or through maintenance of average annual compensating balances as shown by the books of the banks ranging from 5% to 7.5% of the committed line.

Cash and temporary cash investments includes $7,037,000 which is pledged to secure letters of credit in connection with the Company's self-insurance program.

NOTE 6 RECEIVABLES, ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Receivables consist of the following:

	MARCH 30, 1985	MARCH 31, 1984
	(in thousands)	
Trade and other receivables	$10,858	$13,104
Less: allowance for doubtful accounts	276	278
	10,582	12,826
Due from related parties:		
Tax sharing agreement	–	15,000
Real estate agreement and other	15,489	2,653
	15,489	17,653
Total	$26,071	$30,479

Accounts payable and accrued liabilities consist of the following:

	MARCH 30, 1985	MARCH 31, 1984
	(in thousands)	
Accounts payable	$117,934	$117,044
Accrued liabilities:		
Payroll	24,531	21,931
Closure reserves	9,284	8,840
Taxes other than income taxes	11,509	13,859
Insurance	8,349	10,627
Pension	14,614	14,734
Other	15,275	21,683
Total	$201,496	$208,718

NOTE 7 PROPERTY LEASES

The Company operates principally in leased stores, distribution facilities and offices, and, in most cases, holds renewal options with varying terms. Many of the leases contain escalation clauses which provide for increased rentals based upon increases in real estate taxes and lessors' operating expenses.

The following is a schedule by year of future minimum payments under capital leases together with the present value of the net minimum lease payments as of March 30, 1985:

	(in thousands)
1985	$ 14,612
1986	14,425
1987	14,681
1988	14,543
1989	14,737
Later years	201,292
Total minimum lease payments	274,290
Less: amount representing estimated executory costs included in total minimum lease payments	7,174
Net minimum lease payments	267,116
Less: amount representing interest	162,610
Present value of net minimum lease payments	104,506
Less: current portion of obligations under capital leases	3,453
Long-term capital lease obligations	$101,053

The minimum lease payments shown above do not include future minimum sublease rental income of $8,569,000 under non-cancellable subleases or payments for contingent rentals under certain store leases on the basis of sales in excess of stipulated amounts.

The following is a schedule by year of future minimum rental payments required, less minimum sublease rental income, under operating leases that have initial lease terms in excess of one year as of March 30, 1985:

	(in thousands)
1985	$ 21,769
1986	20,509
1987	19,774
1988	18,786
1989	18,108
Later years	136,420
Total minimum payments	235,366
Less: sublease rental income	18,839
Net minimum rentals	$216,527

The following schedule shows the composition of total rental expense for all operating leases:

	52 WEEKS ENDED		
	MARCH 30, 1985	MARCH 31, 1984	APRIL 2, 1983
	(in thousands)		
Minimum rentals	$24,957	$36,730	$37,656
Contingent rentals	4,236	6,084	5,741
Less: sublease rental income	5,146	5,757	5,846
	$24,047	$37,057	$37,551

NOTE 8 PENSION PLANS

Pension expense under the Company's pension plans described in Note 1 was $6,029,000, $7,496,000 and $7,512,000 for fiscal 1984, 1983 and 1982, respectively.

In fiscal 1983 the qualified pension plans were amended to provide increased minimum benefits per year of service and to increase the maximum years of service to which minimum benefits apply. The changes resulted in an increase in the actuarial present value of accumulated plan benefits of approximately $2,496,000 as of June 1, 1983 and an increase in annual pension expense of $131,000 in fiscal 1983.

A comparison of accumulated plan benefits and plan net assets as of the latest available actuarial valuation date is as follows:

	APRIL 1, 1984	APRIL 1, 1983
	(in thousands)	
Actuarial present value of accumulated plan benefits:		
Vested	$120,858	$113,606
Nonvested	5,451	6,541
	$126,309	$120,147
Plan net assets available for benefits	$134,396	$127,809
Recorded liability for unfunded vested benefits	15,029	16,684
	$149,425	$144,493

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 8½% at both April 1, 1984 and April 1, 1983.

On February 7, 1984, the Board of Directors of Grand Union authorized the termination of the J. Weingarten Inc. Pension Plan ("Plan"), a defined benefit plan, effective March 2, 1984. Approval of the termination was received from the Pension Benefit Guaranty Corporation (PBGC) on September 28, 1984 and from the Internal Revenue Service (IRS) on November 16, 1984. In June 1984 the Plan purchased an annuity contract from an insurance company at a cost of $9,007,000 to provide benefit

payments to Plan participants and beneficiaries. The excess of Plan assets over the cost of the annuity contract, amounting to $13,240,000 was refunded to the Company in November 1984 and was credited to the 1983 reserve for store closures.

NOTE 9 POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Company provides substantially all of its full-time non-union employees and several union employee groups with life insurance and health care benefits upon retirement. The health care benefits are not insured and are paid by the Company. These benefits, totalling $10,213,000 for all employees in fiscal 1984, are not readily separable between the approximately 9,000 active and 2,000 retired employees covered by the plan.

Additionally, the Company provides life insurance benefits through insurance company contracts whose premiums are based upon benefits paid plus administrative expenses. The cost of the annual premiums, which aggregated $945,000 for all employees in fiscal 1984, is not readily separable between the approximately 9,400 active and 2,800 retired employees covered by the plan.

NOTE 10 STOCKHOLDER'S EQUITY

On January 13, 1984 the Company called for redemption all of the issued and outstanding shares of its 4½% Cumulative Preferred Stock, at a price of $52 per share plus accrued dividends to the redemption date of $0.5625 per share. The excess of the shares' book value over their purchase price has been recorded as additional paid-in capital.

During fiscal 1983 the Company received $45,000,000 from its parent in consideration for the issuance of 175 shares of its $50,000 par value common stock.

NOTE 11 STOCK OPTION

The company is a party to an employment agreement with a senior executive officer of the Company whereby, among other things, the Company granted the officer options to purchase 40.075 shares of the Company's $50,000 par value common stock at an option price equal to the per share book value of the Company at March 31, 1984. Options to purchase 10.01875 shares are exercisable annually on each March 1 from 1986 through 1989. Unexercised options expire no later than February 28, 1991.

Under certain conditions the officer may elect to surrender any exercisable option to the Company in exchange for a cash payment equal to the difference between the fair market value of the shares and the option price. Under certain circumstances the options may be converted into options to purchase a proportionate number of shares of Cavenham (USA) Inc.

NOTE 12 CONTINGENCIES

The Company had been named as a co-defendant in numerous similar antitrust actions brought by producers and feeders of cattle. Each of the actions alleged violations by the defendants of federal antitrust laws in connection with the purchase and sale of beef and sought damages and injunctive relief. All of the retail defendants, including the Company, moved for summary judgment seeking dismissal of plaintiffs' treble damage wholesale price fixing claims which motion has been granted and has been affirmed on appeal to the United States Court of Appeals for the Fifth Circuit. On February 21, 1984, the United States Supreme Court denied the plaintiffs' petition for a Writ of Certiorari seeking to reverse the summary judgment. Although all claims for treble damages have been dismissed in the litigation, certain plaintiffs' claims for injunctive relief remain pending. The management of the Company believes that the Company has good and meritorious defenses to these claims for injunctive relief. Management further believes that the resolution of these claims will not have a material adverse effect on the financial position or results of operations of the Company.

A purported class and derivative action has been brought against the Company and certain of its parents seeking the rescission of the merger in which Cavenham (USA) acquired the remaining 19% minority interest in the Company's common stock and the recovery of unspecified damages, costs and attorneys' fees. The Company and its parents believe that its actions have been entirely proper and lawful, and intend to defend the lawsuit vigorously.

A purported class action is pending against the Company seeking treble damages and injunctive relief alleging violations by the Company and other co-defendants of the New Jersey antitrust laws in connection with the termination of the promotional offer to double the discount for manufacturers' cents-off coupons in New Jersey between September 18 and 26, 1982. The Company has answered, denying the material allegations of the complaint. The Court has denied plaintiff's motion for class action certification and plaintiff is seeking leave to appeal that ruling. It is not possible to predict with any degree of certainty the ultimate outcome of this lawsuit since, among other things, the conduct of the other defendants as alleged co-conspirators could affect the liability of the Company. The management of the Company believes that the Company has good and meritorious defenses to the lawsuit.

REPORT OF INDEPENDENT ACCOUNTANTS

TO THE BOARD OF DIRECTORS AND STOCKHOLDER OF THE GRAND UNION COMPANY:

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income and retained earnings and of changes in financial position present fairly the financial position of The Grand Union Company and its subsidiaries at March 30, 1985 and March 31, 1984, and the results of their operations and the changes in their financial position for each of the three years in the period ended March 30, 1985, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Price Waterhouse

PRICE WATERHOUSE
411 Hackensack Avenue
Hackensack, New Jersey 07601
May 22, 1985

SELECTED QUARTERLY DATA (UNAUDITED)

		1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
				(in thousands)		
Sales	1984	$ 780,005	$583,961	$586,610	$578,816	$2,529,392
	1983	$1,048,658	$865,598	$887,758	$636,834	$3,438,848
Gross profit	1984	$ 173,225	$132,480	$130,417	$132,957	$ 569,079
	1983	$ 236,055	$173,706	$179,896	$124,011	$ 713,663
Net income (loss)	1984	$ 464	$ 2,401	$ 1,726	$ 737	$ 5,328
	1983	$ (9,821)	$ (36,496)	$ (60,023)	$ (8,900)	$ (115,240)

SUPPLEMENTAL INFORMATION ON INFLATION AND CHANGING PRICES

The Financial Accounting Standards Board (FASB) has issued statement No. 33, Financial Reporting and Changing Prices and its amendments in an attempt to measure the effect of inflation on business enterprises. The accompanying five-year summary data and statement of income adjusted for changing prices are provided to illustrate the impact of changing prices caused by a decline in the purchasing power of the dollar and changes in the current cost of specific assets.

Current cost accounting is a method of measuring and reporting assets and expenses related to the use or sale of such assets at their current costs or recoverable amounts as of the balance sheet date. The current cost of Property, net was determined by applying appropriate indices to property accounts and recalculating accumulated depreciation.

Historical dollar cost of goods sold include prior year costs as a result of inventory valuation based upon the first-in first-out method. Accordingly, cost of goods sold has been adjusted to reflect current year costs.

In computing net income (loss) under the current cost method, only depreciation expense and cost of sales have been adjusted to show the effects of inflation. Other expenses reflect current year transactions and, accordingly, are recorded in dollars of current purchasing power. Total expenses restated on a current cost basis are greater than historical cost-based amounts; however, no income tax reduction has been recognized because income tax laws require deductions to be based on historical costs.

During periods of inflation, borrowers experience gains on borrowings because amounts borrowed are repaid with dollars having less purchasing power. Conversely, during periods of inflation lenders experience losses. In fiscal 1984, the Company experienced a purchasing power gain on net monetary items, indicating that monetary liabilities exceeded like assets.

The concepts and procedures established by the FASB for the preparation of these disclosures are complex and require the use of assumptions and estimates based on available information. This information therefore should be viewed only as an approximation of inflationary effects.

SUMMARY OF FINANCIAL INFORMATION (UNAUDITED)

FIVE YEAR INFORMATION	52 WEEKS ENDED MARCH 30, 1985	52 WEEKS ENDED MARCH 31, 1984	52 WEEKS ENDED APRIL 2, 1983	53 WEEKS ENDED APRIL 3, 1982	52 WEEKS ENDED MARCH 28, 1981
	(Dollar amounts in thousands)				
HISTORICAL INFORMATION					
Sales	$2,529,392	$3,438,848	$3,519,341	$4,137,447	$3,626,231
Gross profit	$ 569,079	$ 713,668	$ 778,371	$ 902,305	$ 788,964
Net income (loss)	$ 5,328	$ (115,240)	$ 226	$ 24,652	$ 34,327
Net income (loss) as a percent of sales	0.21%	(3.35)%	nil	0.60%	0.95%
Dividends paid	—	$ 46	$ 3,449	$ 37,745	$ 19,055
Working capital	$ 82,678	$ 51,713	$ 96,573	$ 119,385	$ 115,436
Total assets	$ 585,531	$ 576,176	$ 764,539	$ 756,248	$ 784,799
Long-term obligations	$ 169,874	$ 171,662	$ 227,156	$ 220,493	$ 222,654
Stockholders' equity	$ 142,470	$ 137,142	$ 208,479	$ 211,734	$ 224,857
HISTORICAL INFORMATION ADJUSTED TO AVERAGE FISCAL 1984 DOLLARS					
Current Cost Information:					
Net loss	$ (7,945)	$ (142,359)	$ (25,157)	$ (11,331)	$ (11,722)
Net assets at year end	$ 177,199	$ 179,875	$ 291,028	$ 310,514	$ 346,842
Purchasing power gain on net monetary items	$ 12,772	$ 20,205	$ 16,839	$ 34,128	$ 49,864
Excess of increase in general price level over increase in specific prices	$ 6,021	$ 9,904	$ (1,680)	$ 3,565	$ 14,742
Average consumer price index	313.9	301.7	291.7	277.4	253.4

STATEMENT OF INCOME ADJUSTED FOR CHANGING PRICES (UNAUDITED)

	HISTORICAL COSTS	CURRENT COSTS AVERAGE 1984 DOLLARS
	(in thousands)	
Sales	$2,529,392	$2,529,392
Cost of sales	(1,960,313)	(1,967,370)
Gross profit	569,079	562,022
Operating, administrative and general expenses*	(543,575)	(549,791)
Costs related to store closure program	(5,020)	(5,020)
Interest expense	(18,958)	(18,958)
Interest, dividend and other income	6,082	6,082
Income (loss) before income taxes	7,608	(5,665)
Income tax provision (benefit)	2,280	2,280
Net income (loss)	$ 5,328	$ (7,945)
Purchasing power gain on net monetary items		$ 12,772
Effect of increase in specific prices (current costs)**		$ 12,453
Increase in general price level of inventories and property held during the year		18,474
Excess of increase in general price level over increase in specific prices		$ 6,021

**The straight line method of depreciation was used for presentations of the effects of changing prices and is the principal method used in the primary statements. Depreciation and amortization expenses, calculated using historical costs and current costs, were $34,837,000 and $41,053,000, respectively.*

***At March 30, 1985, current cost of inventory was $195,452,000 and current cost of property, net of accumulated depreciation, was $324,551,000.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollar amounts in millions)

OVERVIEW

During the past three years the Company has undertaken or continued several significant programs designed to improve future profitability in an industry characterized by intense competition. These programs included a major restructuring, in fiscal 1983 and 1982, to consolidate a profitable operating base in select geographic areas, continuance of a capital development plan which emphasized the conversion of select supermarkets to Food Markets and, in the second quarter of fiscal 1983, the institution of a new company-wide pricing program of matching the low price leader in each of its marketing areas. As part of the restructuring program the Company closed 513 stores which were unprofitable or which would not fit within its long-term strategy. Included in these closures was the disposition in fiscal 1983 of the Company's Weingarten (Texas), Florida and Eastern (Washington) regions which removed the Company from areas in which profitability has not been historically strong. The restructuring was substantially completed during fiscal 1983 and, as a result the Company has returned to profitability in fiscal 1984.

A more comprehensive review of the Company's operations for the last three years and an overview of the Company's liquidity and capital resources follows.

OPERATIONS

The Company achieved a net profit in fiscal 1984 after incurring a significant loss in fiscal 1983. This improvement resulted primarily from sales increases on a per store basis, margin increases in certain categories, and efficiencies in corporate overhead achieved through the restructuring program. Explanations of specific trends follow.

Sales trends for the past three years were:

FISCAL YEAR	Annual Sales	Increase (Decrease) From Preceding Year Amount	Percent
1984	$2,529.4	$(909.4)	(26.4)%
1983	$3,438.8	$ (80.5)	(2.3)%
1982	$3,519.3	$(618.1)	(14.9)%

The decrease in sales of 26.4% during fiscal 1984 was primarily due to fiscal 1983 store closures (35.5%), offset by sales increases from the increased number and continued maturation of Food Markets and to the price reduction program implemented in the second quarter of fiscal 1983 (9.1%). Sales in stores operated in both years increased by 14.0%.

The decrease in sales of 2.3% during fiscal 1983 was primarily due to the disposition of 223 stores since the end of fiscal 1982 (7.8%) offset by sales increases from the increased number of Food Markets and the price reduction program (5.5%).

The decrease in sales of 14.9% during fiscal 1982 was primarily due to (a) the closure of 142 stores since the end of fiscal 1981 (14.7%), (b) a 52 week fiscal 1982 as compared to a 53 week prior year (2.0%) and (c) lower sales volume in supermarkets (5.8%), offset by an increase in volume in Food Markets (4.5%) and the effects of inflation (3.1%).

As shown in the table below, gross profit as a percentage of sales increased in fiscal 1984, primarily as a result of the closing of less profitable regions and improvements in gross margins in certain categories in ongoing regions. Gross profit as a percentage of sales decreased in fiscal 1983, principally due to the price reduction program.

FISCAL YEAR	Gross Profit	Percent of Sales
1984	$569.1	22.5%
1983	$713.7	20.8%
1982	$778.4	22.1%

The decrease in gross profit dollars in fiscal 1984 was due primarily to the decrease in sales offset by an increase in gross margin percentages. Approximately 70% of the decreased gross profit dollars in fiscal 1983 resulted from decreased gross margin percentages while the remainder resulted from a decrease in sales.

As shown in the table below, operating, administrative and general expenses as a percentage of sales decreased in fiscal 1984 primarily due to efficiencies gained through corporate restructuring and to decreases in promotional costs from the level required in fiscal 1983 to implement the price reduction program.

FISCAL YEAR	Operating, Administrative and General Expenses	Percent of Sales
1984	$543.6	21.5%
1983	$776.6	22.6%
1982	$765.3	21.8%

In fiscal 1983 operating, administrative and general expenses as a percentage of sales increased primarily due to increased labor costs and promotional costs related to the price reduction program.

A decrease in interest expense in fiscal 1984 was largely attributable to the lower level of long-term debt as well as reduced short-term borrowings.

Store closure costs include provisions of $45.0 in fiscal 1983 and $10.0 in fiscal 1982 relating to closures not covered by an agreement with Cavenham Holdings Inc. ("Holdings"), (see Note 2 to the Consolidated Financial Statements). Other income for fiscal 1984 reflects $4.3 of reimbursement from Holdings under this agreement as compared to $2.8 in fiscal 1983 and $10.1 in fiscal 1982.

During fiscal 1984, the Company recorded an income tax provision of $2.3, which approximates the statutory tax rate reduced by investment tax credits, calculated as if the Company filed a separate company income tax return. During fiscal 1983, the Company recorded an income tax benefit of $15.0 as compared to an income tax benefit of $20.2 in fiscal 1982. The income tax benefit for fiscal 1983 related to credits associated with the carryback of fiscal

1983 losses. The tax benefit in 1982 included investment tax credits, credits associated with the carryback of fiscal 1982 losses and credits associated with prior years' reserves. (See Note 4 to Consolidated Financial Statements.)

Please refer to the Supplemental Information on Inflation and Changing Prices on page 21 regarding the effects of inflation and changing prices.

LIQUIDITY AND CAPITAL RESOURCES

Resources used to finance capital expenditures, debt retirement and dividends are shown in the table below (refer to the Consolidated Statement of Changes in Financial Position for further data):

	FISCAL 1984	FISCAL 1983	FISCAL 1982
	(Amounts in millions)		
Capital expenditures	$39.1	$ 83.2	$116 3
Debt retirement	22.8	73.6	7.7
Dividends	—	—	3.4
	$61.9	$156.8	$127.4
Financed by:			
Property and other disposals	$23.0	$129.5	$ 44.9
Operating activities	19 1	(17.3)	48.5
External financing	7.8	25.3	38.5
Issuance of common stock	—	45.0	—
Cash balance reductions (increases)	12.0	(25.7)	(4.5)
	$61.9	$156.8	$127.4

Capital expenditures and debt have decreased during each of the last two years to levels appropriate to the Company's reduced size. The financing for capital expenditures and debt retirement in fiscal 1984 was provided by property disposals, operating activities, external financing and reduction in cash balances. In fiscal 1983, such funds were provided primarily by property disposals from the closure program, external financing and the issuanced of $45.0 in capital stock to the parent company. In fiscal 1982, funds for capital expenditures, debt retirement and dividends were supplied by property disposals, operating activities and external financing. External financing consisted primarily of capital lease obligations in fiscal 1984 and capital lease obligations and short-term debt in fiscal 1983 and fiscal 1982.

In fiscal 1985 the Company's capital development program will approximate $40.0. Funds for this program are expected to be generated from operations.

The Company has lines of credit with a number of banks totalling $65.0 of which $47.0 is extended on a committed basis. The main purpose of these lines is to provide the working capital needed to finance the seasonal inventory fluctuations associated with food retailing. The Company is restricted under certain loan agreements from borrowing more than $30.0 under these lines of credit. Borrowings under these lines were not significant during fiscal 1984.

DIRECTORS

Floyd Hall
Chairman of the Board and
Chief Executive Officer

Gilberte E. Beaux
Director, Administrator
Generale Occidentale

Ian M. Duncan
Executive Vice President
Cavenham Holdings Inc.

Milton Glaser
President, Milton Glaser, Inc.

Sir James Goldsmith
Chairman and President,
Generale Occidentale

Norman Grulich
President, Grulich-Koenig Advertising, Inc.

James E. Herlihy
Senior Vice President,
Chief Financial Officer and Secretary

Henry T. Johnson
Executive Vice President and
Chief Administrative Officer

William A. Louttit
Executive Vice President, Merchandising

Joseph J. McCaig
President and Chief Operating Officer

William M. Reffett
Senior Vice President, Personnel

Jivan Tabibian
Director,
Wine, Ethnic and International Foods

Jane von der Heyde
Vice President, Secretary and
General Counsel,
Cavenham Holdings Inc.

OFFICERS

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Chief Executive Officer

Joseph J. McCaig
President and Chief Operating Officer

Henry T. Johnson
Executive Vice President and
Chief Administrative Officer

William A. Louttit
Executive Vice President, Merchandising

James E. Herlihy
Senior Vice President,
Chief Financial Officer and Secretary

Bradley C. Johnson
Senior Vice President,
Real Estate and Development

William M. Reffett
Senior Vice President, Personnel

Henry S. Addison
Vice President, Carolina Region

Charles J. Barrett
Vice President, Labor Relations

Kenneth R. Baum
Vice President and Controller

Jack Caldcrone
Vice President, Meat Merchandising

William Hoffert
Vice President,
General Merchandise Merchandising

Buck Jones
Vice President,
Service Department Merchandising

Roger W. Kennedy
Vice President and Treasurer

William E. Kinslow
Vice President,
Management Information Systems

Brooke D. Lennon
Vice President, Grocery Merchandising

Anthony P. Misasi
Vice President, Produce Merchandising

Robert E. Mohel
Vice President, Quality Control

Robert J. Saba
Vice President, Northern Region

Bryan Springthorpe
Vice President, Distribution

Darrell W. Stine
Vice President, New York Region

Craig C. Sturken
Vice President, Southern Region

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